

**UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

In re

RENAISSANCE RESIDENTIAL OF
COUNTRYSIDE, LLC,

Debtor.

Case No. 09-31460

Chapter 11

Hon. John H. Squires

Hearing Date: November 17, 2009¹

Hearing Time: 10:00 a.m.

**LIMITED OBJECTION TO COMMITTEE'S APPLICATION FOR AN ORDER
AUTHORIZING AND APPROVING THE EMPLOYMENT AND RETENTION OF
LEVENFELD PEARLSTEIN, LLC AS COMMITTEE COUNSEL**

Parkway Bank and Trust Company ("Parkway"), as senior secured lender, submits this limited objection to the application of the Official Committee ("Committee") of Unsecured Creditors of Renaissance Residential of Countryside, LLC ("Debtor") to employ counsel. Specifically, Parkway objects to the Committee's request for monthly retainers of \$7,500, which could only be paid from Parkway's cash collateral.

Parkway holds the senior mortgage debt on the Debtor's project, a 719-unit condominium conversion project in Palatine, Illinois. As of the filing date, the loan balance was about \$35.66 million. Non-default interest accrues on the loan at about \$150,000 per month. Puritan Finance Corporation holds a second mortgage on the project. Based on papers filed by the Debtor, Puritan is owed \$9 million as of the filing, on which non-default interest accrues at 18%. Parkway is informed and believes that the Debtor generates less than \$140,000 per month net of expenses, but before real estate taxes. A sufficient monthly reserve for real estate taxes will leave less than \$50,000 for non-default interest on the secured debt of Parkway and Puritan, far

¹ Although this matter is noticed for November 16, 2009, counsel to the Committee of Unsecured Creditors advises it will be continued to November 17, 2009, at the same time as other case matters will be heard.

less than the interest that accrues on their respective debt each month. Consequently, the Debtor lacks sufficient cash flow to service its secured debt and satisfy its real estate tax obligations.

The Committee's proposed retainer would require the use of Parkway's cash collateral, for which Parkway, unless it consents, would be entitled to adequate protection. In fact, Parkway **will consent** to the payment of the initial retainer requested by the Committee of \$15,000. However, Parkway does not consent to the supplemental monthly retainers of \$7,500. Because there is no adequate protection for the use of that amount of cash each month to pay professional fees, the request for the supplemental monthly retainer should be denied.

PARKWAY BANK and TRUST COMPANY

Date: November 13, 2009

By: /s/ Janice A. Alwin
One of its attorneys

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CERTIFICATE OF SERVICE

I, Janice A. Alwin, an attorney, hereby certify that a copy of the foregoing **LIMITED OBJECTION TO COMMITTEE'S APPLICATION FOR AN ORDER AUTHORIZING AND APPROVING THE EMPLOYMENT AND RETENTION OF LEVENFELD PEARLSTEIN, LLC AS COMMITTEE COUNSEL** was duly served to all registered parties through the CM/ECF system for the United States Bankruptcy Court for the Northern District of Illinois and via facsimile, to the parties listed below, on November 13, 2009:

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/s/ Janice A. Alwin

Janice A. Alwin

Electronic Mail Notice List

The following is the list of **parties** who are currently on the list to receive e-mail notices for this case.

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